

Kynect Advisory Board

Small Employer Health Options Program (SHOP) Subcommittee

Meeting Minutes

June 17, 2014

Call to Order and Roll Call

The SHOP Subcommittee met on Tuesday, June 17, 2014, at 1:30 p.m. in the Large Conference Room at the Kentucky Office of Health Benefit and Health Information Exchange (KOHBE). Carrie Banahan, Executive Director, of KOHBE, on behalf of Jeffrey Bringardner, Chair, called the meeting to order at 1:30 p.m., and the Secretary called the roll.

Subcommittee Members Present: Jeffrey Bringardner (by phone), Dr. Richard Broeg (by phone), Paul Brophy (by phone), Dr. Joe Ellis (by phone), Carl Felix, Jan Gould, Connie Hauser, Harry Hayes, Jack Tillman (by phone), and Bob Weiss.

Staff Present: Carrie Banahan, Tammy Bullock, Chris Clark, Leigh Edens, Miriam Fordham, Wanda Fowler, David Ison (OATS), Tracy Kemper, Bill Nold, Brenda Parker, and Melea Rivera.

Approval of Minutes

A motion was made to accept the minutes of the May 20, 2014, meeting as submitted, seconded, and approved by voice vote.

Update on the Exchange

Ms. Banahan reported that the Exchange is currently working with issuers on the renewal process for 2015. A meeting was held on June 4, 2014, to discuss the individual market renewal process and a meeting to discuss the small group market will be held in the near future.

For 2015, plans are being made to revamp the SHOP to include additional functionality for employers and issuers including an issuer portal where issuers will be able to access enrollee information for both individual and small group market. It is hoped that a quoting tool for agents will be available this fall. Kentucky is the only known state pursuing this option. The current process is very tedious and cumbersome.

By 2015, using the kynect platform, individuals will be able to apply by other programs including Temporary Assistance to Needy Families (TANF), Supplemental Nutrition Assistance Program (SNAP) and non-Modified Adjusted Gross Income (MAGI) Medicaid. Individuals will be able to use one account to apply for various programs.

The Office of the Kentucky Health Benefit Exchange (KHBE) is moving to a new location, 8 Mill Creek Park, in July. Under the new Executive Order (2014-561), name of the office will also be changed to the Kentucky Office of Health Benefit Exchange and Health Information Exchange..

SHOP Policy Options

Wanda Fowler, KOHBIE, updated the subcommittee on changes to federal rules that impact the SHOP. Regarding employee choice, states have the option of not implementing employee choice in the SHOP for enrollments in 2015. This provision was implemented by Kentucky in its original SHOP design for 2014. There is not enough data due to the lack of uptake by employers to determine if any changes to current policies need to be made. Once stabilized, the Exchange may want to revisit some of the earlier policy decisions. The decision was made to maintain the current policy.

Regarding enrollment periods, the new federal rules allowed states to shorten the length of employer election periods and employee open enrollment. The SHOP currently has a 30 day open enrollment period and the renewal design allows for a 30 day employer election period. The new rule allows greater flexibility for employers, employees, and the SHOP.

David Ison, OATS, addressed programming issues related to shortening the timeframes. A hard programming rule regarding the length of open enrollment and the election period that would be applied for all employers would not allow for the greatest amount of flexibility. The system can establish deadlines for enrollment without setting time limitations for enrollment. Plan effective dates of coverage will continue to be based on the open enrollment ending by the fifteenth of any month to be effective the following month.

There are also new provisions regarding the elimination of minimum contribution and participation requirements. Small and large group markets are required to eliminate these requirements for the period of November 15 through December 15 of each year, effectively providing for a “guarantee issue” period. The SHOP will be implementing this requirement at the end of this year.

Coverage of Part-time Employees

Some employers and issuers have inquired about covering part-time employees in SHOP. The decision was made earlier by the SHOP subcommittee to not cover part-time employees. The rules for eligibility are often left to the employers and issuers may not know whether they are full-time or part-time. It is uncertain if part-time employees were to be enrolled whether they would have the same contribution requirements. The subcommittee members suggested that additional research is needed prior to making any changes to the current design.

Other Business

Ms. Banahan announced that Bill Nold, Deputy Executive Director, KOHBIE, will be retiring on July 31, 2014. The next meeting of the subcommittee was scheduled for Tuesday, August 12, 2014, 1:30 p.m. at the Office of the Kentucky Health Benefit Exchange.

Adjournment

The meeting was adjourned at 2:30 p.m.